



Texas Community Development Block Grant Program
TxCDBG
Planning and Capacity Building Fund Application Guide
2011-2012



June 22, 2010

June, 2010

Dear Applicant:

The Texas Department of Rural Affairs is pleased to provide you with a copy of the Texas Community Development Block Grant Program (TXCDBG) Application Guide for the Planning and Capacity Building Fund. There have been several significant changes in this 2011/2012 program year application. Please thoroughly review the application guide before beginning preparation of an application for TXCDBG funds.

The Texas Department of Rural Affairs was created to develop policies addressing the needs of rural Texans and to improve the quality of life in small communities through the Texas Community Development Block Grant Program; through rural health care programs; and through training and technical assistance to local government officials. The Texas Community Development Block Grant Program provides assistance to rural areas for public infrastructure improvements, housing, economic development, and planning activities. We are pleased to be able to provide this much-needed assistance throughout the State of Texas.

Questions and comments about this guide or any other aspect of the Texas Community Development Block Grant Program should be addressed to the following location:

	Texas Department of Rural Affairs
	Texas Community Development Block Grant Program
Mailing Address:	Post Office Box 12877, Capitol Station
	Austin, Texas 78711
Street Address:	1700 N. Congress, Suite 220 - Austin, Texas 78701
Telephone Number:	512-936-6701
FAX Number:	512-936-6776

I look forward to working with you to provide assistance to those residents of Texas who are in need of the services and facilities eligible under this program.

Sincerely,

Mark Wyatt, Director
Community Development

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TxCDBG GOALS AND REQUIREMENTS

The goal of the Texas Community Development Block Grant (TxCDBG) Program is the development of viable communities by providing decent housing and a suitable living environment, as well as by expanding economic opportunities, principally for persons of low-to-moderate income.

The objectives of the TxCDBG Program are:

1. To improve public facilities to meet basic human needs, principally for low-to-moderate income persons.
2. To improve housing conditions, principally for persons of low-to-moderate income.
3. To expand economic opportunities by creating or retaining jobs, principally for low-to-moderate income persons.
4. To provide assistance and public facilities to eliminate conditions hazardous to the public health and of an emergency nature by providing assistance and public facilities.

APPLICATION SUBMITTAL PROCEDURES

The guidelines and application package for the 2011/2012 Planning and Capacity Building Fund are included in this application. There have been changes for 2011/2012; these procedures supersede those published in all previous application guides. An eligible city or county may submit one (1) application for the 2011/2012 Planning and Capacity Building Fund biennial competition by the application deadline of October 8, 2010.

Two copies of the application (one original and one copy) must be furnished to TxCDBG. It is suggested that signatures be in an ink color other than black.

One completed and signed copy of the application must be submitted to the appropriate Regional Planning Commission for TRACS review.

If the application is hand-delivered to the office of the TxCDBG Program, the application must be delivered by 5:00 p.m. on the application deadline date.

Mailed applications must be postmarked no later than midnight on October 8, 2010 and received at the office of the TxCDBG Program within three (3) calendar days of the application deadline date.

Applications sent through carriers such as Federal Express, UPS, etc., must be received by the carrier no later than midnight on October 8, 2010 and received at the office of the TxCDBG Program no later than the day after October 8, 2010. Applications must be sent to TDRA's physical address.

Applications received after the deadlines for hand delivered applications, the deadline for mailed applications, and the deadline for private carrier delivered applications will be disqualified. Any applications that are not complete or do not meet program requirements (e.g., draft formats, unsigned documents, missing forms, public hearing problems, survey problems, etc.) may also be subject to disqualification.

Applications that lack information needed by TxCDBG staff to make a determination concerning the eligibility of the activity (e.g., data on low/moderate income benefits) or compliance with TxCDBG and Federal program requirements (e.g., citizen participation requirements) may be disqualified. Questions concerning the application package should be directed to the TxCDBG staff.

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Texas Community Development Block Grant Program
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Austin, Texas 78711

Physical Address: 1700 N. Congress, Suite 220
Austin, Texas 78701

Telephone Number: 512-936-6701 or toll free 800-544-2042
FAX Number: 512-936-6776

Please send all application submissions to the **Physical Address** above.
Additional resource information will be posted on the TDRA website at www.tdra.state.tx.us.

ACTION PLAN

The requirements and procedures specified in the 2011 Texas Community Development Grant Program Action Plan will govern the 2011/2010 Planning and Capacity Building Fund application process. Applicants are strongly encouraged to read the entire TxCDBG Action Plan prior to completing and submitting this application for funding assistance. A copy of the most current TxCDBG Action Plan may be obtained on the TDRA website or requested from TDRA using the contact information provided in this guide.

ELIGIBLE APPLICANTS

Eligible applicants are non-entitlement units of general local government, incorporated cities and counties not participating or designated as eligible to participate in the entitlement portion of the federal Community Development Block Grant Program. Non-entitlement cities that are not participating in urban county programs through existing participation agreements are eligible applicants unless the city's population counts toward the urban county CDBG allocation.

Non-entitlement cities are located predominately in rural areas and are generally:

- cities with populations less than 50,000 persons;
- cities that are not designated as a central city of a metropolitan statistical area; or
- cities that are not participating in urban county programs.

Non-entitlement counties are also predominately rural in nature and generally have fewer than 200,000 persons in the non-entitlement cities and unincorporated areas located in the county.

While non-entitlement units of general local government are the only eligible applicants for TxCDBG funding, these applicants may submit applications that will provide benefits through other sub-recipient groups serving the jurisdiction.

For example, a county could submit an application for water distribution line improvements to a water system that is owned and operated by a public utility district. The improvements themselves would become the property of the public utility district, but the programmatic and fiscal compliance responsibilities would remain with the applicant (the county).

As another example, a city could submit an application for the construction of a building to house a social services agency providing primary benefit within the city. Again, the facility could be placed under the control of the agency (through title transfer or lease arrangement), but compliance responsibilities would remain with the city.

Only projects or activities located in the nonentitlement areas of the State are eligible for funding under the Texas Community Development Block Grant Program.

An exception to this requirement is Hidalgo County. Hidalgo County is a designated CDBG urban county, however it is an eligible applicant for assistance under the TxCDBG Colonia Fund.

NATIONAL PROGRAM OBJECTIVES

Each proposed activity included in an application for TxCDBG funds must meet one of HUD's three CDBG National Program Objectives, or NPOs. They are:

Each proposed activity included in an application for TxCDBG funds must meet one of HUD's three CDBG National Program Objectives, or NPOs. They are:

1. Activities Benefiting Low-to-Moderate Income Persons
 - a. *Low-to-Moderate Income Area Benefit* – an activity that benefits all residents of an area that is primarily residential. Low-to-moderate income is frequently abbreviated as “LMI.”
 - b. *Low-to-Moderate Income Limited Clientele* – an activity that provides benefits to a specific group of persons generally presumed to be principally LMI.
 - c. *Low-to-Moderate Income Housing* – an activity assisting in the acquisition, construction, or improvement of permanent residential structures may qualify as benefiting LMI persons only to the extent that the housing is occupied by LMI persons.
 - d. *Low-to-Moderate Income Jobs* – activity that creates or retains permanent jobs, at least 51 percent of which, on a full time equivalent (FTE) basis, are either held by or available to LMI persons.
2. Prevention / Elimination of Slums or Blight
 - a. Addressing Slums or Blight on an Area Basis
 - b. Addressing Slums or Blight on a Spot Basis
3. Urgent Need - Meet other community development needs of particular urgency that represent an immediate threat to the health and safety of residents of the community.

Additional guidance pertaining to the three national objectives is available at www.tdra.state.tx.us.

Applicants are required to document and report the beneficiaries of each proposed application activity regardless of the NPO met by the activity. Once an applicant has identified the persons that will benefit from the proposed eligible activity there are three (3) acceptable ways to document the total beneficiaries and number of LMI beneficiaries for each proposed application activity: U.S. Department of Housing and Urban Development (HUD) – 2000 Census based data, the completion of a TxCDBG approved survey, or a combination of the two.

ELIGIBLE PLANNING ACTIVITIES (24 CFR 570.205)

Subsequent applications to TxCDBG for construction assistance should be substantiated by a plan, especially if TxCDBG funded the development of the plan. Refer to the “Matrix” contained within this guide for typically

accomplished activities. The following is a list of eligible planning activities specified in 24 CFR Section 570.205 and should be used as a guide.

(a) Planning activities which consist of all costs of data gathering, studies, analysis, and preparation of plans and implementing actions, including, but not limited to:

- (1) Comprehensive plans;
- (2) Community Development Plans;
- (3) Functional Plans, in areas such as:
 - (i) Housing, including the development of a consolidated plan;
 - (ii) Land use and urban environmental design;
 - (iii) Economic development;
 - (iv) Open space and recreation;
 - (v) Energy use and conservation;
 - (vi) Floodplain and wetlands management in accordance with the requirements of Executive Orders 11988 and 11990;
 - (vii) Transportation;
 - (viii) Utilities; and
 - (ix) Historic preservation.
- (4) Other plans and studies such as:
 - (i) Small area and neighborhood plans;
 - (ii) Capital improvements programs;
 - (iii) Individual project plans (but excluding engineering and design cost related to a specific activity which are eligible as part of the cost of such activity under Sections 570.201-570.204);
 - (iv) The reasonable costs of general environmental and historic preservation studies. However, costs necessary to comply with 24 CFR Part 58, including project specific environmental assessments and clearances for activities eligible for assistance under this Part are eligible as part of the cost of such activities under Sections 570.201 - 570.204. Costs for such specific assessments and clearances may also be incurred under this paragraph but would then be considered planning costs for the purposes of Section 570.200(g);
 - (v) Strategies and action programs to implement plans, including development of codes, ordinances and regulations;
 - (vi) Support of clearinghouse functions, such as those specified in Executive Order 12372; and
 - (vii) Analysis of impediments to fair housing choice.

(b) Policy-planning-management-capacity building activities which enable the recipient to:

- (1) Determine its needs;
- (2) Set long-term goals and short-term objectives, including those related to urban environmental design;
- (3) Devise programs and activities to meet these goals and objectives;
- (4) Evaluate the progress of such programs and activities in accomplishing these goals and objectives; and
- (5) Carry out management, coordination and monitoring of activities necessary for effective planning implementation, but excluding the costs necessary to implement such plans.

INELIGIBLE ACTIVITY BENEFICIARIES

In general, any type of activity not described or referred to in 42 U.S.C Section 5305 is ineligible; (or, any type of activity not described or referred to in Section 105 of the Housing and Community Development Act of

1974, as amended). Specific activities ineligible under the Texas Community Development Block Grant Program are:

- construction of buildings and facilities used for the general conduct of government (e.g. city halls, courthouses, etc.);
- new housing construction, except as last resort housing under 49 CFR Part 24 or affordable housing through eligible subrecipients in accordance with 24 CFR 570.204;
- the financing of political activities;
- purchases of construction equipment (except in limited circumstances under the STEP Program);
- income payments, such as housing allowances; and
- most operation and maintenance expenses (including smoke testing, televising / video taping line work, or any other investigative method to determine the overall scope and location of the project work activities)

For the purposes of the Planning and Capacity Building Fund the following activities are also deemed ineligible:

- Administrative Activities
- Engineering / Architectural Design
- Costs of Audits

IDENTIFYING ACTIVITY BENEFICIARIES

This section includes descriptions of acceptable methods of identifying beneficiaries of a proposed eligible activity. The method(s) used by an applicant to identify the beneficiaries of an activity are based on the type of activity proposed and the persons that could or will actually benefit from the proposed activity.

TDRA staff reviews the beneficiaries reported in the application for accuracy, the acceptability of the method(s) used by an applicant to identify the beneficiaries for each proposed activity, and for compliance with the criteria for national program objectives.

Activities Principally Benefiting Low-to-Moderate Income Persons

An activity will be considered to address the national program objective of principally benefitting low-to-moderate income persons if it meets the area benefit activity, housing activity, limited clientele activity, or job activity criteria, unless there is substantial evidence that the activity does not principally benefit low-to-moderate income persons.

Area Benefit Activities

Area benefit activities must benefit all of the residents in a particular area where at least 51 percent of the residents are low-to-moderate income persons. The residents claimed as beneficiaries in the target area must be based on the entire area served by the activity. An activity that serves an area that is not primarily residential in character shall not qualify under the area benefit criterion.

Limited Clientele Activities

To qualify as a limited clientele activity, the activity must meet one of the following tests:

1. The activity must benefit a clientele who are generally presumed to be principally low-to-moderate income persons. Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit persons, 51 percent of whom are low-to-moderate income:
 - elderly persons (age 62 and over)
 - abused children
 - battered spouses
 - homeless persons
 - illiterate adults
 - migrant farm workers
 - persons living with AIDS
 - persons meeting the Census Bureau definition of “severely disabled”

Persons are classified as having a severe disability if they:

- (a) used a wheel-chair or had used another special aid for 6 months or longer;
 - (b) were unable to perform one or more functional activities or needed assistance with an activity of daily living (getting around inside the home, getting in or out of bed or a chair, bathing, dressing, eating, and toileting) or instrumental activity of daily living (going outside the home, keeping track of money or bills, preparing meals, doing light housework, and using the telephone);
 - (c) were prevented from working at a job or doing housework; or
 - (d) had a selected condition including autism, cerebral palsy, Alzheimer’s disease, senility or dementia, or mental retardation.
 - (e) Also, persons who were under 65 years of age and who were covered by Medicare or who received Supplemental Security Income (SSI) were considered to have a disability (and a severe disability).
2. The activity must require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low-to-moderate income limit.
3. The activity must have income eligibility requirements which limit the activity exclusively to low-to-moderate income persons.
4. The activity must be of such a nature, and be in such a location, that it may be concluded that the activity’s clientele will primarily be low-to-moderate income persons.

An eligible TxCDBG activity that exclusively serves the residents of Public Housing Authority (PHA) units could qualify as a limited clientele activity because the income guidelines used to determine PHA eligibility are the HUD Section 8 Income Limits.

An eligible TxCDBG activity that exclusively serves a Nursing Home where at least 51 percent of the Nursing Home residents are low-to-moderate income persons could qualify as a limited clientele activity. Nursing Home residents that are eligible for Medicaid (not Medicare) assistance meet income limit eligibility requirements that are lower than the low-to-moderate income limits. Residents of Nursing Homes that are older than 62 years of age are in a clientele group that is presumed to be principally of low-to-moderate income.

As an example, a Nursing Home with 100 residents has 75 persons that qualify for Medicaid. The 75 Medicaid-eligible persons are low-to-moderate income persons. Thirteen (13) of the remaining 25 ($25 \times 0.51 = 12.75 = 13$) Nursing Home residents can also be considered low-to-moderate income persons by using the minimum TxCDBG activity qualifying low/mod benefit percentage (51%).

When activities are limited to one or a combination of the groups of persons in the accepted categories listed for limited clientele activities, the beneficiaries of a community center, multi-purpose center, service center, or service center for severely disabled persons, it may be presumed that the activity benefits 51 percent low-to-moderate income persons. The number of low-to-moderate income beneficiaries will equal 51 percent of the total number of persons estimated to be served by the center.

Slums or Blight

Activities meeting one or more of the following criteria, in the absence of substantial evidence to the contrary, will be considered to aid in the prevention or elimination of slums or blight:

1. *Activities to address slums or blight on an area basis.*

An activity will be considered to address prevention or elimination of slums or blight if the TxCDBG can determine that:

- A. The area delineated by the unit of general local government meets a definition of a slum, blighted, deteriorated, or deteriorating area under state or local law.
- B. Throughout the area there is a substantial number of deteriorated or deteriorating buildings or the public improvements are in a general state of deterioration.
- C. The assisted activity addresses one or more of the conditions which contributed to the deterioration of the area. Rehabilitation of residential buildings carried out in an area meeting the above requirements will be considered to address the area's deterioration only where each such building rehabilitated is considered substandard before rehabilitation, and all deficiencies making a building substandard have been eliminated if less critical work on the building is also undertaken. The unit of general local government must have minimum standards for building quality which may take into account local conditions.
- D. The unit of general local government must provide the TxCDBG records sufficient to document that an activity meets the national objective of prevention or elimination of slums and blight.

2. *Activities to address slums or blight on a spot basis.*

Acquisition, clearance, relocation, historic preservation and building rehabilitation activities which eliminate specific conditions of blight or physical decay on a spot basis not located in a slum or blighted area will meet this objective. Under this criterion, rehabilitation is limited to the extent necessary to eliminate specific conditions detrimental to public health and safety.

An activity involving planning may be eligible under this national program objective if the activity is the only activity for which the grant to the unit of government is given, or the planning activity is unrelated to any other activity assisted by the grant, and either:

- a) The plans are for a slum or blighted area, or
- b) All elements on the planning are necessary for and related to an activity which, if funded, would meet one of the other criterion of elimination of slums or blight.

TxCDBG applicants must document the beneficiaries of proposed activities that qualify under the prevention or elimination of slums or blight national program objective. Identification of the beneficiaries of the activities will depend on the type of activity and whether the activity addresses slum or blight conditions on an area or spot basis.

For activities done on an area basis, the beneficiaries are the residents of the delineated slum and blight area.

For activities done on a spot basis, the beneficiaries will be based on the types of buildings or facilities being addressed by the applicant. For activities on a spot basis, please contact the TxCDBG for a determination on the beneficiary documentation requirements that the TxCDBG will based on the applicant's proposed activities.

Urgent Need

Eligible activities must be designed to meet community development needs having a particular urgency. In the absence of substantial evidence to the contrary, an activity will be considered to address this objective if the unit of general local government certifies, and the TxCDBG determines, that the activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community which are of recent origin or which recently became urgent, that the unit of general local government is unable to finance the activity on its own, and that other sources of funding are not available. A condition will generally be considered to be of recent origin if it first occurred, or was discovered, no more than 30 days prior to the date that the potential applicant provides a written request to the TxCDBG Program for urgent need assistance.

TxCDBG applicants must document the beneficiaries of proposed activities that qualify under the activities designed to meet community development needs having a particular urgency.

Identification of the beneficiaries of the activities will depend on the type of activity and whether the activity is an area benefit activity, a housing activity, or a limited clientele activity.

Applicants for TxCDBG Disaster Relief or Urgent Need assistance are advised to contact the TxCDBG early in the application preparation process for assistance in the determination of the beneficiary documentation information that will be required based on the applicants proposed activities.

TxCDBG SURVEY REQUIREMENTS

The new TxCDBG survey methodology manual and forms are available on the agency website (www.TDRA.state.tx.us). The new survey methodology details the only acceptable format for survey submissions.

USE OF HUD-2000 CENSUS BASED DATA

When TxCDBG requirements are met, information contained in the HUD-2000 Census-based data file may be used to identify the number of beneficiaries, as well as the extent of benefit for low-to-moderate income persons based on an applicant's proposed activities.

To qualify an application activity under the national program objective of principally benefiting low-to-moderate income persons, at least fifty-one percent (51%) of the beneficiaries of the activity must be low-to-moderate income persons.

HUD used 2000 Census SF 3 information to calculate the number and percentage of low-to-moderate income persons in each census geographic area in Texas. This information can be found on the TDRA website at www.TDRA.state.tx.us.

The HUD-2000 Census-based data file contains the number and percentage of low-to-moderate income persons, as calculated by HUD, for census geographic areas in incorporated and unincorporated areas, by county, place (city or census designated place), census tract, and block group.

The TxCDBG will not accept any substitution for the HUD-2000 Census-based information. Any applicant considering the use of HUD-2000 Census-based data to document application activity beneficiaries may contact the TxCDBG staff for this information or obtain the information from the TDRA website.

The number of persons located in a 2000 Census block is available from Summary File 1 (SF 1) on the Census website under American FactFinder, but the low-to-moderate income percentage is not available by block.

When an applicant activity will only benefit a portion of a 2000 Census block group, the applicant must use SF 1 population information (100% count population) by block to document that a significant number of the persons in that block group (at least 60% of the persons) will benefit from the activity.

The TxCDBG will not allow an applicant to use the HUD-calculated low-to-moderate income percentage for a block group unless at least 60% of the persons located in that block group will benefit from the activity.

The TxCDBG will only allow the use of the HUD-2000 Census-based information to qualify an activity and to document the activity beneficiaries under the following conditions:

1. The project activity will benefit all of the persons within a census geographic area or a significant number of the persons (at least 60% of the persons) within a census geographic area. The census geographic area could be a county, place, census tract, or block group.
2. If only HUD-2000 Census-based information is used to document the beneficiaries of an application activity, the low-to-moderate income benefit percentage must be at least 51% (not 50.99%) for a single census geographic area or for combinations of two or more census geographic areas.
3. The HUD-2000 Census-based information may be used in combination with TxCDBG survey beneficiaries, income eligible beneficiaries, and condition eligible beneficiaries to document the beneficiaries of an application activity. Again, the activity must benefit at least 51% low-to-moderate income persons.

In the event that an application activity does not benefit an entire census geographic area, or a significant number of the persons within a census geographic area, then the applicant must use another method to document the beneficiaries. The applicant should then consider conducting a local TxCDBG survey to document the beneficiaries and the low-to-moderate income benefit percentage for the activity. A local survey is usually the best way to document the beneficiaries of direct benefit activities.

Different combinations of 2000 census geographic areas can be used to maximize the low-to-moderate income percentage.

As an example, a city proposing a citywide benefit activity has 2 census tracts with 5 block groups in each census tract. Two different types of census geographic areas (place or block group data) can be used to calculate the low-to-moderate income percentage:

- The place data low-to-moderate income percentage is 59.68%.

- The low-to-moderate income percentage when adding the 10 block groups together is 60.10%.
- The city may use the 60.10% low-to-moderate income percentage for the activity.

The following examples illustrate when census data can and cannot be used to qualify projects through a combination of census geographic areas.

EXAMPLE #1 - City A wants to apply for a direct benefit project which includes the installation of water distribution lines and fire hydrants in 2 block group (BG) areas.

- The project will benefit 35% of the residents of BG 5 and BG 5 is 80% low-to-moderate income persons (376 low-to-moderate income persons and 470 total residents)
- The project will benefit 20% of the residents of BG 6 and BG 6 is 55% low-to-moderate income (341 low-to-moderate income persons and 620 total residents)
- Can City A use 2000 Census data to qualify this project? No.
- The TxCDBG could not allow the use of HUD-2000 Census-based data to qualify this project because the project *will not benefit a significant number of BG 5 or BG 6 residents.*

EXAMPLE #2 - City B wants to apply for a citywide benefit project that includes the drilling of a new water well and a new 500,000 gallon ground storage tank. City B boundaries include 4 census geographic areas (census tracts):

- The low-to-moderate income percentage based on citywide (place) census data is 50.07% (1,012 low-to-moderate income persons and 2,021 total citywide beneficiaries).
- The low-to-moderate income percentage based on the block group data within the 4 census tracts is 50.62% (1,023 low-to-moderate income persons and 2,021 total citywide beneficiaries).
- City B cannot qualify the project using HUD-2000 Census-based data because the project will not benefit at least 51% low-to-moderate income persons.

EXAMPLE #3 - City C wants to apply for a direct benefit project that includes the installation of water distribution lines and fire hydrants in 2 block group (BG) areas. The project will benefit a significant number of BG 2 residents (approximately 70% of BG 2 residents) and a small section of BG 3 (about 5% of BG 3 residents) according to the following SF 1 block number information (block numbers benefiting from the activity are underlined):

<u>BG 2</u>		<u>BG 3</u>	
<u>Block Number</u>	<u>Population</u>	<u>Block Number</u>	<u>Population</u>
<u>2101</u>	<u>110</u>	3101	80
<u>2102A</u>	<u>45</u>	3102	105
<u>2103</u>	<u>62</u>	<u>3103</u>	<u>20</u>
<u>2105</u>	<u>72</u>	<u>3106</u>	<u>16</u>
<u>2106</u>	<u>56</u>	3107	79
<u>2108</u>	<u>70</u>	3108	104
<u>2109</u>	<u>35</u>	3109A	95
2110	68	3110	67
2111	74	3112	91
2112	58	3113	63
<u>450</u>	650	<u>36</u>	720

- BG 2 is 70% low-to-moderate income (455 low-to-moderate income persons and 650 total residents) according to the HUD-2000 Census-based data.
- BG 3 is 45% low-to-moderate income (324 low-to-moderate income persons and 720 total residents) according to the HUD-2000 Census-based data.
- Can City C use 2000 Census data to qualify this project? Yes and no.
- The TxCDBG would allow the use of 2000 Census data for BG 2 but not for BG 3. City C would be advised to use census data for BG 2 and to survey the beneficiaries located in BG 3.
- City C surveys BG 3 beneficiaries and the survey identifies 35 total and 28 low-to-moderate income beneficiaries.
- The number of beneficiaries in BG 2 (about 70% of BG 2 residents) is 450 total and 315 low-to-moderate income persons.
- The beneficiaries for the activity are 485 total and 343 low-to-moderate income persons.

EXAMPLE #4 - City D wants to apply for an area benefit project that includes the installation of sewer collection lines, a lift station, and manholes in 2 block group (BG) areas. The project will benefit a **significant number** of BG 3 residents (approximately 70% of BG 3 residents) and a **significant number** of BG 4 residents (about 80% of BG 4 residents) according to the following SF 1 block number information (**block numbers benefitting from the activity are underlined**).

<u>BG 3</u>		<u>BG 4</u>	
<u>Block Number</u>	<u>Population</u>	<u>Block Number</u>	<u>Population</u>
<u>3101</u>	<u>87</u>	<u>4101</u>	<u>89</u>
<u>3102</u>	<u>63</u>	<u>4102</u>	<u>109</u>
<u>3103</u>	<u>77</u>	<u>4103</u>	<u>77</u>
3104A	95	<u>4104</u>	<u>66</u>
3105	52	4106	97
<u>3107</u>	<u>107</u>	<u>4107A</u>	<u>124</u>
<u>3109</u>	<u>46</u>	4108	93
<u>3110</u>	<u>47</u>	<u>4109</u>	<u>78</u>
3111	53	<u>4110</u>	<u>92</u>
<u>3112</u>	<u>23</u>	<u>4112</u>	<u>75</u>
<u>450</u>	<u>650</u>	<u>710</u>	<u>900</u>

- BG 3 is 70% low-to-moderate income (455 low-to-moderate income persons and 650 total residents) according to HUD-2000 Census-based data.
- BG 4 is 60% low-to-moderate income (540 low-to-moderate income persons and 900 total residents) according to HUD-2000 Census-based data.
- Can City D use 2000 Census data to qualify this project? Yes.
- The TxCDBG would allow the use of 2000 Census data for BG 3 and BG 4.
- The number of beneficiaries in BG 3 (about 70% of BG 3 residents) is 450 total and 315 low-to-moderate income persons.
- The number of beneficiaries in BG 4 (about 80% of BG 4 residents) is 710 total and 426 low-to-moderate income persons.
- The beneficiaries for the activity are 1,160 total and 741 low-to-moderate income persons.

Applicants using HUD-2000 Census-based data to document activity beneficiaries must submit the following information with the application:

- A copy of the information from the HUD-2000 Census-based data file for the applicant.
- A copy of the methodology and the supporting documentation (SF 1 information if applicable) used to determine the total number and number of low-to-moderate income beneficiaries for a census geographic area where only a portion of the census geographic area is receiving benefit from an application activity.
- For target area activities that do not benefit the entire city or county, a census map which contains the numbers for each census geographic area, the boundaries of each census geographic area, and the locations of the project activities within each census geographic area receiving project benefit.

When trying to obtain information or maps, first check with your local Council of Governments, as most have these materials for their respective regions. You may also contact TxCDBG staff for information concerning the availability of the HUD-2000 Census-based information. Census maps can be found on the Census Bureau website at <http://factfinder.census.gov/home/saff/main.html> or on the Texas State Data Center website at <http://txsdc.utsa.edu>.

CITIZEN PARTICIPATION PLAN AND REQUIREMENTS

Prior to submitting an application, the applicant must complete a citizen participation process that complies with the TxCDBG Citizen Participation Plan requirements as described within this guide.

A grant to a locality under the TxCDBG Program may be awarded only if the locality certifies that it is following a detailed citizen participation plan that provides for and encourages citizen participation at all stages of the community development program.

TxCDBG applicants and funded localities are required to carry out citizen participation in accordance with the Citizen Participation Plan that has been adopted for the TxCDBG Program. Each applicant certifies, by signing the 424 Form that it has and will comply with the requirements of this Citizen Participation Plan.

Each applicant must maintain a citizen participation file which includes a copy of this Plan; the applicant's complaint procedures; any technical assistance provided by the applicant; and public notices, minutes, and attendance lists for public hearings.

Complaint Procedures:

The applicant/recipient must have written citizen complaint procedures that provide a timely written response to complaints and grievances. Citizens must be made aware of the location, days, and hours when the location is open for business so they may obtain a copy of these written procedures.

Technical Assistance:

When requested, the applicant/recipient shall provide technical assistance to groups representative of persons of low-to-moderate income in developing proposals for the use of TxCDBG funds. The level and type of assistance shall be determined by the applicant/recipient based upon the specific needs of the community's residents.

Public Hearing Provisions:

For public hearings scheduled and conducted by a TxCDBG applicant or recipient, the following public hearing provisions shall be observed:

1. Public notice of the hearings must be published at least seventy-two (72) hours prior to the scheduled hearing. The public notice must be published in a local newspaper. The public notice must include the date, time, location and topics to be considered at the public hearing. A published newspaper article may also be used to meet this requirement so long as it meets all content and timing requirements. Notices should also be prominently posted in public buildings and distributed to local Public Housing Authorities and other interested community groups.
2. The public hearing shall be held at a time and location convenient to potential or actual beneficiaries and will include accommodation for persons with disabilities. Persons with disabilities must be able to attend the hearings. Furthermore, the applicant must make arrangements for individuals who require auxiliary aids or services if contacted at least two days prior to each hearing. The public hearing must be held after 5:00 p.m. on a weekday or at a convenient time on a Saturday or Sunday.
3. When a significant number of non-English speaking residents can be reasonably expected to participate in a public hearing, an interpreter will be present to accommodate the needs of the non-English speaking residents.

The applicant must comply with the following citizen participation requirements for the preparation and submission of an application to the Texas Community Development Block Grant Program:

1. The public hearing must be held prior to the adoption of the local government resolution authorizing the submission of the application.
2. The locality must retain documentation of the hearing notice(s), attendance lists, minutes of the hearing(s), and any other records concerning the proposed use of funds for a period of one year. Such records must be made available to the public in accordance with Chapter 552, Government Code.
3. The public hearing must meet the following TxCDBG notification requirements and include a discussion with citizens covering the following topics:
 - The development of housing and community development needs.
 - The amount of funding available.
 - All eligible activities under the Texas Community Development Block Grant Program.
 - The applicant's use of past TxCDBG contract funds, if applicable.
 - The estimated amount of funds proposed for activities that will meet the national objective of benefit to low-to-moderate income persons.
 - The plans of the locality to minimize displacement of persons and to assist persons actually displaced as a result of activities assisted with TxCDBG funds, if applicable.
 - Citizens, with particular emphasis on persons of low-to-moderate income who are residents of slum or blighted areas, shall be encouraged to submit their views and proposals regarding community development and housing needs.
 - Local organizations that provide services or housing for low-to-moderate income persons, including but not limited to, the local Public Housing Authority, the local Health and Human Services office,

and the local Mental Health and Mental Retardation office, must receive written notification concerning the date, time, location and topics to be covered at the public hearing.

- Citizens shall be made aware of the location where they may submit their views and proposals should they be unable to attend the public hearing.
4. While more than one application for different TxCDBG fund categories may be discussed at the public hearing, a hearing held for the previous program year's submittal of the same application (under either fund) is not acceptable for meeting the requirements for any subsequent competition.
 5. At least five (5) days prior to the submission of an application for TxCDBG funds, the applicant must publish a public notice in a local newspaper that includes the following information:
 - The TxCDBG fund categories for which applications will be submitted.
 - The amount of TxCDBG funds requested in each application.
 - A short description of the proposed project activities in each application.
 - The locations of the project activities included in each application.
 - The location and hours when the application will be available for public review.

The applicant must comply with the following citizen participation requirements in the event that the applicant receives funding from the Texas Community Development Block Grant Program:

1. The locality must hold a public hearing concerning any substantial change, as determined by TDRA, proposed to be made in the use of TxCDBG funds from one eligible activity to another.
2. Upon completion of the community development program activities, the locality shall hold a public hearing and review its program performance, including the actual use of TxCDBG funds.
3. The locality must retain documentation of the hearing notice(s), attendance lists, minutes of the hearing(s), and any other records concerning the actual use of funds for a period of three years after the project is closed out. Such records must be made available to the public in accordance with Chapter 552, Government Code.

The applicant certifies compliance with the TxCDBG Citizen Participation Plan requirements by signing the 424 form. Failure to comply with these requirements may result in disqualification of the application.

LOCAL CERTIFICATIONS

Each applicant for TxCDBG funding must certify by signing the 424 Form that Local Certifications included in this application guide have been followed in the preparation of any TxCDBG application and that they will continue to be followed in the event of TxCDBG funding.

With respect to the expenditure of funds provided under a Texas Community Development Block Grant contract, each TxCDBG contractor is required to certify that:

1. It will minimize displacement of persons as a result of activities assisted with such funds.
2. The program will be conducted and administered in conformity with Title VI of the Civil Rights Act of 1964 (42 USC 2000d et seq.) and the Fair Housing Act (42 USC 3601-20), and that it will affirmatively further fair housing, as specified by TDRA.
3. It will provide opportunities for citizen participation, hearings and access to information with respect to its community development programs, and that it is following the TxCDBG Program Citizen Participation Plan.
4. It will not attempt to recover any capital costs of public improvements assisted in whole or in part with such funds by assessing any amount against properties owned and occupied by persons of low-to-moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements unless: (A) such funds are used to pay the proportion of such fee or assessment related to the capital costs of such public improvements that are financed from revenue sources other than such funds; or (B) for purposes of assessing any amount against properties owned and occupied by persons of low-to-moderate income who are not persons of very low income, the contractor certifies that it lacks sufficient funds under this contract to comply with the requirements of clause (A).
5. It will comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and Federal implementing regulation at 49 CFR Part 24, and the requirements of section 570.606 including the following of a residential anti-displacement and relocation assistance plan, as specified by the TDRA, in the event that displacement of residential dwellings will occur in connection with a project assisted with TxCDBG funds.
6. It has adopted or will adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations and enforce applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such nonviolent civil rights demonstrations within its jurisdiction.
7. To the best of the TxCDBG contractors knowledge and belief:
 - (A) No Federal appropriated funds have been paid or will be paid, by or on behalf of the TxCDBG Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
 - (B) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the TxCDBG Contractor shall complete and submit Standard Form-LLL, "Disclosure Form To Report Lobbying", in accordance with its instructions.
 - (C) The TxCDBG contractor shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under

grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

MINORITY PARTICIPATION

The Texas Community Development Block Grant Program will maintain the goal of encouraging minority participation and will assist communities in identifying potential minority contractors and subcontractors through the ongoing Minority Business Enterprise program.

FAIR HOUSING ACTIVITIES

Any locality receiving funds under the Texas Community Development Block Grant Program must certify that it will affirmatively further fair housing. Each funded locality must conduct at least one fair housing activity during the contract period, even if the locality is currently undertaking fair housing activities. Activities that qualify as affirmatively furthering fair housing include, but are not limited to, the following:

- Cities may pass a fair housing ordinance and publicize the existence of such an ordinance.
- Counties may adopt written fair housing policies and procedures that are equivalent to a fair housing ordinance and publicize the existence of such policies.
- The development of a strategy to pass a fair housing ordinance to be evidenced by public hearings and input from interested parties.
- The establishment of a written local complaint and monitoring process and notification to the public of its existence.
- The initiation of a fair housing counseling referral service that provides housing choices outside historically minority and/or low-to-moderate income neighborhoods to be evidenced by adoption of written procedures and publication of the availability of such service.
- The completion of a community-wide housing analysis to determine impediments to fair housing and actions to eliminate these impediments.
- The designation of April, or some other month, as Fair Housing Month through resolution or proclamation along with other activities to support fair housing.

READINESS TO PROCEED REQUIREMENTS

Refer to Section IV A of the 2011 TxCDBG Action Plan.

CONFLICT OF INTEREST

Under the conflict of interest provisions at 24 CFR 570.489 (h), that are included in the regulations governing state administration of Community Development Block Grant (CDBG) nonentitlement funds (24 CFR 570, Subpart I), no persons who exercise or have exercised any function or responsibilities with respect to TxCDBG activities, or who are in a position to participate in a decision making process, or gain inside information regarding TxCDBG activities, may obtain a financial interest or benefit from the activity, or have interest in any contract, subcontract, or agreement, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure, or for one year thereafter.

These conflict of interest provisions apply to any person who is an employee, agent, consultant, officer, or elected official of the state, or of a unit of general local government, or of any designated public agencies, or sub-recipients that are receiving CDBG funds.

Under these provisions, a conflict of interest would exist (family member receiving benefit from an activity) if a member of a mayor's family was selected to receive housing rehabilitation assistance through a city program financed with TxCDBG funds. Another example where a conflict of interest would exist (business ties) is a situation where a consultant, who is employed by an engineering firm, has been selected by a city to provide grant administration services and the city is considering the selection of an engineer from that same firm to provide grant engineering services.

The Texas Department of Rural Affairs (TDRA) may grant an exception to the conflict of interest provisions on a case-by-case basis if it is determined that such exception will serve to further the purpose of the TxCDBG and the effective and efficient administration of the project. An exception may be considered only upon written request from the city or county that includes the following documentation:

1. A disclosure of the nature of the conflict, accompanied by an assurance that there has been public disclosure of the conflict and a description of how the public disclosure was made.
2. An opinion of the attorney for the city or county that the interest for which the exception is sought would not violate state or local law.
3. Whether the exception would provide a significant cost benefit or an essential degree of expertise to the project which would not otherwise be available.
4. Whether an opportunity was provided for open competitive bidding or negotiation.
5. Whether the person affected is a member of a group or class of low or moderate income persons intended to be the beneficiaries of the assisted activity, and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class.
6. Whether the person affected has withdrawn from his/her functions or responsibilities, or the decision making process with respect to the specific assisted activity in question.
7. Whether the interest or benefit was present before the affected person was in the position as an employee, agent, consultant, officer, or elected official of the city or county, or of any designated public agencies, or sub-recipients that are receiving CDBG funds.
8. Whether undue hardship will result to the city or county or the persons affected when weighed against the public interest served by avoiding the prohibited conflict.
9. Any other relevant considerations.

TYPES OF APPLICATIONS

Single Jurisdiction Applications

A single eligible applicant (city or county) may submit one application for funding where the project beneficiaries are limited to persons located within the applicant's jurisdiction.

For an incorporated city, the beneficiaries would generally be limited to persons located within the corporate city limits. An incorporated city may submit a single jurisdiction application that includes activities benefitting persons located within the extra-territorial jurisdiction (ETJ) of the city. However, the applicant must describe how the activity benefitting persons located in the ETJ is meeting the applicant's community development and housing needs, including the needs of low-to-moderate income persons.

An incorporated city cannot submit a single jurisdiction application that includes beneficiaries located inside of the city and beneficiaries located outside of the city's ETJ. In this instance, the city and the county where the unincorporated area is located will be required to submit a multi-jurisdiction application.

For a county, the beneficiaries would generally be limited to persons located in unincorporated areas within the county (for target area projects) or countywide (possibly for projects such as a county community center, county park, or courthouse accessibility improvements).

However, a county may submit a single jurisdiction application on behalf of an incorporated city located within the county when the following TxCDBG guidelines and requirements are met:

- The proposed activities in the application benefit the incorporated city's residents and the proposed activities provide improvements to a publicly-owned facility or privately-owned utility that is not owned or operated by the incorporated city on whose behalf the county has submitted the application. As an example, a county could submit an application on behalf of an incorporated city that does not own or operate the water system that serves the city's residents, when the water system is owned and operated by an entity such as a public water supply corporation, and the proposed activities in the application are for water system improvements that benefit the city's residents. The city's residents are the beneficiaries of the application activities, but the improvements would become the property of the public water supply corporation.
- The persons benefitting from the application activities must be located within the city's corporate limits and/or within the city's ETJ.
- The incorporated city must adopt and submit a resolution (with the TxCDBG application) authorizing the county to submit the application on behalf of the city.
- The county will be the grantee and the party responsible for compliance with all program requirements.
- The county or the incorporated city that the county applied on behalf of, cannot submit another single jurisdiction application or be a participating jurisdiction in a multi-jurisdiction application submitted under the same TxCDBG fund category.
- The incorporated city's demographic information will be used for the scoring of TxCDBG selection criteria.

A county may submit a single jurisdiction application for a countywide housing rehabilitation activity that includes rehabilitation of housing units in unincorporated areas and incorporated cities located in the county when the following TxCDBG guidelines and requirements are met:

- The proposed housing rehabilitation activities in the application benefit county residents in the unincorporated areas of the county and county residents in incorporated cities located in the county (i.e., the actual rehabilitated housing units under the countywide program must be located in county

unincorporated areas and within each incorporated city included as a participant in the countywide housing rehabilitation program).

- Each incorporated city participating in the countywide housing rehabilitation program must provide a resolution adopted by the governing body of the city authorizing the county to include the city in the county's housing rehabilitation program (resolution(s) must be submitted with the TxCDBG application).
- The county will be the grantee and the party responsible for compliance with all program requirements.
- The county unincorporated area demographic information and each participating incorporated city's demographic information will be used for the scoring of TxCDBG selection criteria.

Multi-Jurisdiction Applications

Two or more eligible applicants may submit one application for funding where the project beneficiaries are persons located within more than one unit of general local government. A multi-jurisdiction application must meet the guidelines for multi-jurisdiction applications as set forth in the following requirements.

The major factors that guide the requirement that a TxCDBG application be submitted as a multi-jurisdiction application and in determining the eligibility of a multi-jurisdiction application are:

- The locations of the beneficiaries and the locations of the proposed activities are within the applicant's jurisdictions.
- A proposed project that includes an activity located in more than one jurisdiction or that includes beneficiaries from more than one jurisdiction must be submitted as a multi-jurisdiction application. Exceptions to this requirement are the ETJ provision allowed by the TxCDBG for incorporated municipalities under single jurisdiction applications and the county exceptions described under single jurisdiction applications.

In order for a "multi-jurisdiction application" to be eligible for consideration for TxCDBG funding, the following benefit distribution threshold must be met:

- A multi-jurisdiction application must mutually benefit residents of the applicant localities.
- A multi-jurisdiction application cannot be submitted solely on the basis of administrative convenience, i.e., there must be a physical need for such a project (location, area to be served, etc.).
- An example of an eligible multi-jurisdiction application would be the provision of a sanitary sewer treatment facility that would serve households in two applicant cities. However, activities such as multi-county paving projects would not meet the "physical need" requirement, as they are generally developed based on administrative convenience to the applicant counties.

Additional criteria that must be met by multi-jurisdiction applicants are:

1. The multi-jurisdiction applicants shall determine which one of the participating units of general local government will be authorized (the authorized applicant) to act in a representative capacity for all of the participating units.

2. Under the Community Development Fund regional competitions, a multi-jurisdiction application that includes participating units of general local government from more than one state planning region will compete in the regional competition where the majority of the application activity beneficiaries are located and the authorized applicant must be located in the region where the application is submitted.
3. Each participating jurisdiction shall submit a signed 424 Form and be responsible for compliance with the Local Certifications included.
4. Each participating jurisdiction shall submit a Community Needs Assessment that identifies the housing and community development needs and the activities designed to meet those needs for each of the participating jurisdictions.
5. The authorized applicant jurisdiction and each of the other participating jurisdictions must meet the citizen participation requirements.
6. Each eligible activity must meet one of the national program objectives. For this purpose, a similar activity carried out/located in two or more different jurisdictions, such as sewage collection lines/service connections to be installed in each of the participating jurisdictions, is considered as two separate activities. A common activity, such as the sewage treatment plant that would serve each of the participating jurisdictions, is considered to be one activity.
7. The authorized applicant assumes overall responsibility for ensuring that the application activities will be carried out in accordance with statutory requirements. In order to accomplish this, the authorized applicant must enter into a legally binding cooperation agreement with each participant that includes the above criteria.
8. All jurisdictions participating within the multi-jurisdiction application must be TxCDBG eligible. For example, if a city and county are submitting a multi-jurisdiction application and the city is currently ineligible due to past performance issues, the application will be deemed ineligible.

SCORING CRITERIA

Refer to Section IV C 4 of the 2011 Action Plan. Additional, more detailed information may be obtained by downloading a copy of the 2011/2012 Planning and Capacity Building Fund Score Sheet from the agency website.

REVIEW / SELECTION PROCEDURES

Refer to Section III E of the 2011 TxCDBG Action Plan.

FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)

September of 2006 the President signed the Federal Funding Accountability and Transparency Act (FFATA) requiring the Office of Management and Budget (OMB) to develop a publicly available, free-of-charge, searchable website on federal funding. Federal funding includes grants, subgrants, loans, awards, cooperative agreements, and other forms of financial assistance.

The Texas Department of Rural Affairs will be responsible for providing the name of entities receiving awards, the amount of the awards, transaction types (grant, loan, etc.), funding agency, Catalog of Federal Domestic Assistance (CFDA) number, program source, and a descriptive award title for all TxCDBG awards. Additional information deemed relevant by the OMB must also be provided. Furthermore, the Act requires that required data be made available within 30 days of the award.

FALSE INFORMATION ON APPLICATIONS

The following actions may be taken, on a case-by-case basis where TDRA finds that an applicant provided false information in its application for TxCDBG funding.

If the applicant provides false information in a TxCDBG Fund application that has the effect of increasing the applicant's competitive advantage, or false beneficiary information that increases the number or percentage of potential beneficiaries, the TDRA staff shall make a recommendation for action to the Executive Director of TDRA.

Actions that the Executive Director may make include, but are not limited to:

1. Disqualification of the application and holding the locality ineligible to apply for TxCDBG funding for a period of at least one year not to exceed two program years.
2. Even if an award has been made, the locality may be liable for funds expended if adjustment to the scores would have resulted in a change in rankings for the purpose of funding.
3. Holding the locality ineligible to apply for TxCDBG funding for a period of two program years or until any issue of restitution is resolved, whichever is longer.

APPEALS PROCESS

Refer to Title 10 Part 6 §255.1 (g) of the Texas Administrative Code (TAC).

OVERVIEW AND COMPLETENESS INFORMATION

This application guide contains the instructions used to prepare and submit an application for 2011/2012 biennial TxCDBG assistance from the Planning and Capacity Building Fund. All complete applications will be reviewed by the TxCDBG staff, and the applicant must correct any deficiencies within the TxCDBG prescribed time period.

The TxCDBG will not consider applications that are incomplete, received after the deadline, or that lack information needed by TxCDBG staff to make determinations concerning the eligibility of each application activity and the applicant's compliance with TxCDBG and Federal program requirements. While the TxCDBG strongly encourages submission of complete applications that include all of the forms and information shown on the Application Checklist in this guide, a substantially complete TxCDBG application must include all of the following information:

1. A completed 424 Form signed with an original signature.
2. A completed National Program Objectives Form.
3. A Completed Project Approval Information Form
4. A completed Community Needs Assessment
5. A completed Anticipated Actions to Solve the Identified Problems Form
6. A completed Justification for Target Area Form (if applicable)

7. A completed Table 1 – Description of Planning Activity
8. A completed Table 2 – Benefit to Low/Moderate Income Residents
9. A completed Community Base Questionnaire
10. A passed/adopted Local Government Resolution authorizing submission of the application
11. Information showing compliance with the TxCDBG Citizen Participation Plan
12. A completed TxCDBG Applicant Disclosure Report with an original signature
13. A legible, quality project area map

Any TxCDBG application submitted without all of the application forms and documents listed on this page is subject to disqualification.

Any complete application received by the deadline, or any applicant that has submitted an application by the deadline, is subject to disqualification, or a recommendation for disqualification, for any of the following reasons:

- The applicant is not a unit of general local government.
- The project is not located in a nonentitlement area.
- The application contains ineligible activities.
- The applicant does not substantially comply with the TxCDBG Citizen Participation Plan requirements.
- The applicant cannot meet all of the Applicant Threshold Requirements.
- The application contains false information.
- The applicant did not comply with the TxCDBG survey requirements.
- The application does not contain adequate or acceptable information to show that each proposed application activity meets a national program objective.
- The application does not comply with the requirement concerning the preparation of an assessment of the applicant's housing and community development needs prior to submission of a TxCDBG application.
- The applicant does not provide the information required in the TxCDBG Applicant/Recipient Disclosure/Update Report.

For the Planning and Capacity Building Fund, applicants are to estimate needs for their planning project activities and request funding according to the matrix located within this guide. The maximum grant request is \$50,000. It is important to consider total project cost, and the necessity of contributing match in determining the total request / total project cost.

PROJECT MAPS

Each application for TxCDBG funding under the Planning and Capacity Building fund must be accompanied by a project map, or maps, which clearly show the following information:

- The boundaries of the applicant's jurisdiction
- The boundaries of the project area(s) or service area(s)
- The locations of all proposed project activities

(Note: Maps must be reproducible. Care should be taken in copying maps so that project activities, which may have been designated by a colored mark, are still identifiable.)

MATRIX PY 2011-2012
FOR DETERMINING PLANNING FEE BY ACTIVITY - MAXIMUM GRANT \$55,000¹
PLANNING/CAPACITY BUILDING FUND

If target area planning is proposed and the activity (such as: economic studies, subdivision and zoning ordinances, etc.) is more logically oriented to an areawide approach, the applicant must provide sufficient detail to justify the request.

	PROJECT AREA POPULATION RANGE												
	200* TO 500	501 TO 1000	1001 TO 1500	1501 TO 2000	2001 TO 3000	3001 TO 4000	4001 TO 5000	5001 TO 7500	7501 TO 10000	10001 TO 20000	20001 TO 30000	30001 TO 40000	40001 TO 50000
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
BASE PLANNING ^{1a} : <i>Base Map, Land Use, Housing, & Population.</i>	6,300	7,350	8,130	8,610	9,450	9,975	10,500	11,550	13,650	15,750	17,850	19,950	22,050
Street Conditions Study	2,100	2,310	2,835	3,255	3,780	4,095	4,410	6,510	7,035	8,085	8,610	9,135	9,660
Water Study Distribution and Supply	3,780	4,410	5,210	5,565	6,195	6,720	7,455	9,765	11,235	13,020	15,120	16,170	17,220
Wastewater Study Collection and Treatment	3,780	4,410	5,250	5,565	6,195	6,720	7,455	9,765	11,235	13,020	15,120	16,170	17,220
Drainage Study Streets & Flood Hazard Areas	3,780	4,410	5,250	5,565	6,195	6,720	7,455	9,765	11,235	13,020	15,120	16,170	17,220
Capital Improvements Program	1,785	1,995	2,205	2,415	2,835	3,255	3,675	4,515	5,355	6,405	6,720	7,140	7,560
Other Utility Studies Such as: Gas or Electric	3,780	4,410	5,250	5,565	6,195	6,720	7,455	9,765	11,235	13,020	15,120	16,170	17,220
Thoroughfares Study	-0-	-0-	-0-	1,680	3,150	3,360	3,885	5,460	6,300	7,350	7,770	8,400	8,820
Central Business District	-0-	-0-	-0-	3,570	4,095	4,620	5,145	7,035	8,085	9,135	10,185	10,710	11,235
Parks and Recreation	-0-	1,785	2,100	2,415	2,835	3,150	3,570	4,935	5,985	7,035	7,560	8,190	8,610
Economic Development Study And/Or Tourism Study	-0-	1,575	3,045	3,255	3,465	3,780	4,305	6,090	7,140	8,190	8,610	9,135	9,660
Zoning Ordinance	1,680	1,785	1,995	2,310	2,730	3,150	3,255	4,410	5,250	5,880	6,510	6,930	7,455
Subdivision Ordinance	1,680	1,785	1,995	2,310	2,730	3,150	3,255	4,410	5,250	5,880	6,510	6,930	7,455
Digitized Base Map ²	1,890	2,415	2,940	3,465	3,675	4,200	4,515	4,725	5,040	5,355	7,088	8,400	9,713
Other Digitized Utility Map ²	840 per system inventory mapped for all population categories...												
Certifications, Presentations, Reports & Publications ³	750 per contract. This element is mandatory. See description of requirements following footnotes to this matrix.												
Special Activity ⁴													

* ***Below 200 population, amount is less than first column and negotiable.***

1. Local cash match is required as an indication of local commitment and should make up for grant and/or budget shortfalls and to contribute to the total project cost.
 - a. Base Planning Activities are required for those applicants lacking these elements. If prepared within the last ten (10) years using TxCDBG and/or local resources, do not apply for TxCDBG funds to update or revise Base Planning Activities (Base Map, Land Use, Housing, Population elements).
 - b. Do not apply for planning funds to study the water or wastewater systems needs or any other public infrastructure when construction funds have been awarded recently to build the system or when

construction funds have recently been awarded or are being requested for the infrastructure to be built.

c. The following are minimum cash match requirements:

- Five percent (5%) cash match is required from applicants with population equal to or less than 1,500 according to 2000 Census.
- Ten percent (10%) cash match is required from applicants with population over 1,500 but equal to or less than 3,000 according to 2000 Census.
- Fifteen percent (15%) cash match is required from applicants with population over 3,000 but equal to or less than 5,000 according to 2000 Census.
- Twenty percent (20%) cash match is required from applicants with population over 5,000 according to 2000 Census.

d. County Applications - The percentage of match required for county applications will be based on the actual target area population benefiting from the planning project.

e. Cash match must be pledged by the application deadline. No changes, additions or deletions in match will be permitted after the submission of the application.

2. This activity is for jurisdiction-wide qualifying projects only. This activity is only for jurisdictions without access to digitized mapping. If applying for this activity, no other related activities are eligible at full TXCDBG funded cost. For example, you can not also get the full amount for base planning activities or other listed activity requiring mapping, if within the last ten (10) years you received funds to digitize mapping. If requesting this activity, you can not also apply for other activities toward which the digitized mapping applies, (e.g., water system inventory map and water system plan).
3. This element is mandatory. See description of requirements following these footnotes to this matrix.
4. Special activities are considered as eligible planning activities not listed in the matrix or of an unusual nature. TXCDBG reserves the right to negotiate this element in the application stage or in the event a grant is awarded. If codification of ordinances is the requested Special Activity, applicant must already have prepared a comprehensive plan, including base planning Activities, Streets and/or Thoroughfares, appropriate utility studies and/or community facilities, and a Capital Improvements Program. A copy of the resolution and/or ordinance adopting the comprehensive plan must be submitted with the application. There is a \$1,500 maximum TXCDBG allocation for codification of ordinances for cities under 1,500 population; \$3,000 for cities between 1,501 and 4,000 population; and \$5,000 for cities over 4,000 population. The city must pledge local cash match to overcome shortfalls.

CERTIFICATIONS, PRESENTATIONS, REPORTS AND PUBLICATIONS element requires a grantee to pass a resolution, a prerequisite to final reimbursement, after a final summary is presented to the executive government that is under a contract. The resolution must indicate:

1. Local officials' participation through meetings in preparing and reviewing planning documents for contract compliance met or exceeded a one (1) hour minimum requirement set forth by the contract;
2. Goals and objectives developed for each contracted planning element were presented, discussed and reviewed by local officials;
3. Inventory , analyses, plans and associated with them required under contract were presented, discussed and reviewed by local officials;
4. Capital needs listed and ranked within the reports were presented, discussed, and reviewed by local officials;
5. Opportunities were provided for citizen participation in the planning process;

6. Local review established that the planning documents are suitable as policy guides for the locality;
7. Contracted planning documents are accepted by the city as substantiation for payment requisition to the Department, and for Contractor's payment to its consultant(s); and
8. Purposes for which the locality intends to use its planning documents produced under the contract.

Associated instructions would regard descriptions of submission requirements for hardcopies and electronic copies that would be required with local review documentation; the requirement for one type of mapping software to be used; requirement for separate inventory and plan maps for each element specifying as much; the requirements for credit for financing and disclaimer statements; the requirement to advertise the planning documents as available for review 12 days before the final hearing.

Eligible Planning Activities (24 CFR 570.205)

The following is a list of eligible planning activities specified in 24 CFR Section 570.205 and should be used as a guide.

(a) Planning activities which consist of all costs of data gathering, studies, analysis, and preparation of plans and implementing actions, including, but not limited to:

- (1) Comprehensive plans;
- (2) Community Development Plans;
- (3) Functional Plans, in areas such as:
 - (i) Housing, including the development of a consolidated plan;
 - (ii) Land use and urban environmental design;
 - (iii) Economic development;
 - (iv) Open space and recreation;
 - (v) Energy use and conservation;
 - (vi) Floodplain and wetlands management in accordance with the requirements of Executive Orders 11988 and 11990;
 - (vii) Transportation;
 - (viii) Utilities; and
 - (ix) Historic preservation.
- (4) Other plans and studies such as:
 - (i) Small area and neighborhood plans;
 - (ii) Capital improvements programs;
 - (iii) Individual project plans (but excluding engineering and design cost related to a specific activity which are eligible as part of the cost of such activity under Sections 570.201-570.204);
 - (iv) The reasonable costs of general environmental and historic preservation studies. However, costs necessary to comply with 24 CFR Part 58, including project specific environmental assessments and clearances for activities eligible for assistance under this Part are eligible as part of the cost of such activities under Sections 570.201 - 570.204. Costs for such specific assessments and clearances may also be incurred under this paragraph but would then be considered planning costs for the purposes of Section 570.200(g);
 - (v) Strategies and action programs to implement plans, including development of codes, ordinances and regulations;
 - (vi) Support of clearinghouse functions, such as those specified in Executive Order 12372; and
 - (vii) Analysis of impediments to fair housing choice.

(b) Policy-planning-management-capacity building activities which enable the recipient to:

- (1) Determine its needs;
- (2) Set long-term goals and short-term objectives, including those related to urban environmental design;
- (3) Devise programs and activities to meet these goals and objectives;
- (4) Evaluate the progress of such programs and activities in accomplishing these goals and objectives; and
- (5) Carry out management, coordination and monitoring of activities necessary for effective planning implementation, but excluding the costs necessary to implement such plans.

APPLICATION INSTRUCTIONS

424 Form

The numbered sections below coincide with the numbered fields on the 424 Form. All information is required unless otherwise noted.

1. Type of Submission - Under the Application column, select either Construction or Non-Construction. The majority of TxCDBG applications, except for Planning-only applications, include some construction activities.
2. Date Submitted – To use the calendar provided, click on the drop-down arrow on the right side of the box.
3. Date Received by State – Leave this field blank.
4. Date Received by Federal Agency – Leave this field blank.
5. Applicant Information - Provide the applicant's Legal Name (e.g., City of ABC, ABC County) and the Organizational Unit (can be the same as the Legal Name). Mailing address, telephone number, fax number, and email address are required for both the applicant and the application preparer. The applicant's physical address and county are also required.
6. Employer Identification Number – Also known as the Federal Tax ID, this 14-digit number is required to facilitate disbursement of funds.
- 6a. DUNS Number – All applicants must have a Data Universal Numbering System number to apply for Federal funds. The DUNS number is a nine-character identification number provided by Dun and Bradstreet. There is no charge to obtain a DUNS number. For additional information, visit the Dun and Bradstreet website at www.dnb.com. Failure to provide the applicant's DUNS number at the application stage may result in delayed award disbursement.
7. Type of Applicant – Select County or City.
8. Type of Application – Check the appropriate box.
9. Name of Federal/State Agency – Provided by TDRA
10. Catalog of Federal Domestic Assistance Number – Provided by TDRA

11. Project Type – Use the drop-down menu to select the project type that best describes the proposed project. Please double check for accuracy, as TDRA will use this information for creation of an Action Item and contracts if the application is successful.
- 11a. Type of Application – Provided by TDRA
12. Target Area(s) Affected by the Project – Briefly identify the areas of the city or county affected by the project. Acceptable descriptions would be: "The ABC Community in southeast XYZ County", "The ABC Community and LMN Community in XYZ County", "The ABC Water Supply Corporation Service Area", "The A, B, C, and D Colonias of XYZ County", and "Jollyville neighborhood in the northwest portion of ABC Town".
13. Applicant's Fiscal Year – Indicate the beginning and end dates of the applicant's fiscal year.
14. Congressional Districts – Provide the congressional districts of the entity applying for funding, as well as for the proposed project site(s). This information is available through the "Who Represents Me" feature at the Texas State Legislature's web site: www.fyi.legis.state.tx.us.
15. Estimated Funding – Complete each field as follows:
 - A. TxCDBG Request: Amount requested from TDRA through this application;
 - B. Federal: Amount committed from federal resources such as RUS or USDA-RD;
 - C. State: Amount committed from state resources such as TWDB;
 - D. Applicant: Amount of match committed by the applicant;
 - E. Local: Amount committed from local resources such as a WSC, WCID, MUD, or any other local entity other than the applicant;
 - F. Other: Amount committed from resources other than those listed above; and
 - G. Total: This will calculate automatically.
16. Is application subject to review by State Executive Order 12372 Process? – For TxCDBG applications, the answer to this question is "No." However, if the applicant provides a copy to the Regional Planning Commission, estimate the date of submission to the Regional Planning Commission for Texas Review And Comment System (TRACS) review.
17. Is the Applicant delinquent on any Federal debt? - If the answer is "Yes," include an explanation concerning the nature, amount, and date when payment of the debt became delinquent.
18. Certification – Before signing the 424 Form, the authorized signatory should read the text in this field carefully and review the Local Certifications and Citizen Participation Plan sections of this guide. Complete all sub-fields prior to signature.

Project Approval Information

This form asks for variety of information about a proposed project. Please be sure to verify your responses, as TDRA staff may rely on this information to make important decisions regarding the project's approval status. Some items on this form include follow-up questions that will only appear if necessary. If a question does not apply to the proposed project, select "N/A". Failure to respond to any item on the Project Approval Information form will result in a deficiency notice.

List of All Identified Community Needs

Provide a list of all the applicant's identified community development and housing needs, not just those addressed in the application. List the needs in order of importance, using the boxes marked "+" and "x" to add or delete space for additional items.

Community Needs Assessment Questionnaire

Provide the information requested for each item, including information concerning the applicant's past and future efforts to provide affordable housing opportunities in the applicant's jurisdiction and the applicant's past efforts to provide infrastructure improvements through the issuance of general obligation or revenue bonds. A response is required for each item; "None" and "N/A" are acceptable.

The Needs Addressed In This Application Were Determined By

Indicate the method(s) used to determine the needs addressed in this application, including the date(s) of each method/assessment. If the exact date is not known, choose the first day of the appropriate month and year.

Description of the Need(s) Addressed in This Application

Provide a description of the problem the proposed project will address. TDRA will use the information from this section to draft a contract in the event that the application is successful. Please double-check for accuracy and do not use all capital letters.

Example: The Green Creek Water Supply Corporation's water system in the northern portion of the City of Green Creek does not meet the Texas Commission on Environmental Quality (TCEQ) regulations 290.44(D) as required by law. This system is unable to meet the TCEQ volume and water pressure requirements.

Justification for Target Area

This section must be completed for all applications in which the planning is to be limited to a target area of less than the entire jurisdiction of the applicant. Give the reasons for proposing to do planning for a target area by addressing each of the questions.

Table 1

Choose the planning element or elements from the drop-down list(s) provided. Then, reference each element to a local problem or need previously identified within this application. Next, describe each proposed element and show what performances are proposed under that element. Describe how the proposed element will solve problems and provide for needs. Finally, suggest an implementable strategy.

Table 2

Choose the planning element or elements from the drop-down list(s) and provide the gender and ethnic data for each element. Use the "+" button in the upper right hand corner of the form to add space for additional elements.

The total number of beneficiaries must be identified in the "Total Benes" column. All beneficiaries whose income falls below 80% of the county, statewide non-metropolitan, or metropolitan (PMSA, CMSA, MSA) median family income must be identified in the "LMI Benes" column. The total provided at the bottom of Table 2 for both of these columns should not double-count the beneficiaries that are receiving benefit from 2 or more elements.

The amount of TxCDBG funds requested for each activity should be placed into the "TxCDBG Funds" column. Show the amount of local or other matching funds for each element in the "Other Funds" column, and identify the source of any "Other Funds" in the field provided at the bottom of the form.

The sum of each element (TxCDBG Funds + Other Funds) will calculate automatically and appear in the “Total Funds” column.

Project Beneficiary Information

This information must be broken down by activity number (excluding administration and engineering). Choose one activity number and identify the beneficiaries benefiting from that activity. The gender, race, and ethnicity data of beneficiaries for each activity must also be provided.

Element:

Select the appropriate element name from the drop-down list. Use the purple box marked “+” to add more elements.

Total Male Beneficiaries:

Provide the total number of male beneficiaries for the proposed project element.

Total Female Beneficiaries:

Provide the total number of female beneficiaries for the proposed project element.

Total Beneficiaries:

This will calculate automatically, but may require modification. For example, if a project contains a water study and digitized base map, this section of the project beneficiary information form might be displayed as seen on the following page.

PROJECT BENEFICIARY INFORMATION			
MUST BE COMPLETED FOR EACH ACTIVITY EXCLUDING ENGINEERING AND ADMINISTRATION			
ELEMENT	TOTAL MALE BENEFICIARIES	TOTAL FEMALE BENEFICIARIES	TOTAL BENEFICIARIES
Water Study	500	500	1,000
Race	# Non-Hispanic Beneficiaries	# Hispanic Beneficiaries	Total Beneficiaries
White	125	125	250
Black/African American	125	125	250
Asian	125	125	250
American Indian/Alaskan Native	125	125	250
Activity Total:			1,000
ELEMENT	TOTAL MALE BENEFICIARIES	TOTAL FEMALE BENEFICIARIES	TOTAL BENEFICIARIES
Digitized Base Map	500	500	1,000
Race	# Non-Hispanic Beneficiaries	# Hispanic Beneficiaries	Total Beneficiaries
White	125	125	250
Black/African American	125	125	250
Asian	125	125	250
American Indian/Alaskan Native	125	125	250
Activity Total:			1,000
TOTAL			1000

Calculation Override

Are you sure you want to modify this field?

Yes No

Sample Project Beneficiary Information Form

According to this example there are 1000 beneficiaries for the wastewater study and 1000 beneficiaries for the digitized base map. **This does not necessarily indicate that the total number of beneficiaries is 2000.** In this case, both elements of the Planning project benefit the same population. Some beneficiaries may be benefiting from both activities. To adjust the automatically-calculated total beneficiary count to eliminate double-counted beneficiaries, double-click the number provided and type in the correct figure. A pop-up box will ask “Are you sure you want to modify this field?” Click “Yes” to retain your changes.

Race:

Identify the race(s) for each activity. This data is available for census geographic areas in the TXMA05 file located on the agency website.

White	Black/African American	Asian
American Indian/Alaskan Native	Native Hawaiian/ Other Pacific Islander	Asian and White
Other Or Multi-Racial	Black/African American and White	
American Indian/ Alaskan Native and White	American Indian/Alaskan Native and Black/African American	

of Non-Hispanic Beneficiaries:

Provide the number of Non-Hispanic beneficiaries in each race category.

of Hispanic Beneficiaries:

Provide the number of Hispanic beneficiaries in each race category.

Total Beneficiaries:

Sum of *# of Non-Hispanic Beneficiaries* and *# of Hispanic Beneficiaries* for all activities

According to a requirement promulgated by the Office of Management and Budget (OMB) and the Department of Housing and Urban Development (HUD), beneficiaries for the Community Development Block Grant Program (CDBG) must now consider persons of Hispanic or Latino origin as an ethnic group. Therefore, persons of Hispanic or Latino origin must also be included under one or more of the single race or multi-race categories. The number of persons shown in the single race or multi-race categories, not including the persons shown as Hispanic or Latino origin, should equal the total number of project beneficiaries when added together.

Answers must be provided for all questions relating to the method(s) of beneficiary identification (questions 1 through 4).

National Program Objectives

Refer to the National Program Objectives section of this application guide for additional guidance.

The applicant must provide the method, or methods, used to identify the beneficiaries for each application activity (with the exception of the engineering and administration activities) and provide a response to all applicable questions.

Explain why and how the method was used to identify the beneficiaries of the application activity for each beneficiary identification method checked. Provide specific references to programs and income limits or the condition on which the limited clientele eligibility was based. The number of limited clientele beneficiaries must be substantiated through clientele lists or certified by the director of the facility or program.

Applicant Disclosure / Update Report

Provisions at Subpart C of 24 CFR Part 4 require TxCDBG applicants to disclose the information requested in each part of this section:

- Assistance from other government sources in connection with the TxCDBG project;
- The financial interests of persons in the TxCDBG project;
- The sources of funds contributed to the project; and

- The uses for which the funds are to be utilized.

TDRA will make all applicant disclosure reports available to the public for five years in the case of applications for competitive assistance, and for generally three years in the case of other applications. Update reports will be available along with the disclosure reports, but in no case for a period less than three years. All reports, both initial reports and update reports, will be made available in accordance with the Texas Open Records Act (Texas Civil Statutes, Art. 6252-17a). Failure to provide any required information may delay the processing of the application and may result in sanctions and penalties, including imposition of the administrative and civil penalties specified under 24 CFR Section 4.38.

Part 1 – Applicant Recipient Information

Indicate whether this is an initial or update report.

Part 2 – Other Government Assistance Provided / Requested

Report any other government assistance involved in the proposed TxCDBG project or activity, including funds anticipated but not yet secured.

"Other government assistance" is defined as any loan, grant, guarantee, insurance, payment, rebate, subsidy, credit, tax benefit or any other form of direct or indirect assistance from the Federal government, a State (other than the TxCDBG assistance requested in the application), or a unit of general local government, or any agency or instrumentality thereof, that is available, or is expected to be made available with respect to the project or activities for which TxCDBG assistance is sought. For purposes of this definition, other government assistance is expected if it is reasonable to anticipate that the assistance will be forthcoming based on an assessment of all the circumstances.

Applicant disclosures must include all other government assistance involved with the TxCDBG assistance, as well as any other government assistance made available before the request, but with a continuing presence at the time of the TxCDBG application submission. Applicants do not need to report matching funds they contribute themselves.

If the applicant has *No Other Government Assistance to Disclose*, place a mark in the appropriate box.

Otherwise,

- Provide the name of the government agency providing the assistance. If applicable, include at least one organizational level below the agency name. For example, U.S. Department of Commerce, Economic Development Administration; Texas Department of Housing and Community Affairs, HOME.
- Enter the address, city, state, and zip code of the government agency making the assistance available.
- Enter the program name and any relevant identifying numbers, or other means of identification, for the other government assistance.
- State the type of other government assistance (e.g., applicant contribution, loan, grant, loan insurance).
- Enter the dollar amount of the other government assistance that is or is expected to be made available with respect to the project of activities for which TxCDBG assistance is sought (applicants) or has been provided (recipients).

Part 3 – Interested Parties

Applicants must provide information on anyone with financial interest in the proposed project exceeding \$50,000 or 10 percent of the requested amount (whichever is lower). This includes developers, contractors, or consultants involved in the application for TxCDBG assistance or in the planning, development, or implementation of the project or activity. A “financial interest” is any financial involvement in the project or activity, including (but not limited to) situations in which an individual or entity has an equity interest in the project or activity, shares in any profit on resale or any distribution of surplus cash or other assets of the project or activity, or receives compensation for any goods or services provided in connection with the project or activity. Residence in housing for which assistance is sought is not considered a covered financial interest.

If the applicant has *No Persons With a Reportable Financial Interest To Disclose*, select the appropriate box and proceed to Part 4. Enter the full names and addresses of all persons referred to in paragraph 1 or 2 of this part. If the person is an entity, the listing must include the full name of each officer, director, and principal stockholder. Enter the type of participation in the project or activity for each person listed (e.g., contractor, consultant, planner, investor). Enter the financial interest in the project or activity for each person listed both as a dollar amount and as a percentage of the amount of TxCDBG funds involved.

Part 4 – Report on Expected Sources and Uses of Funds

The applicant disclosure report must specify all expected sources of funds from TxCDBG and from any other source that is or will be available for the proposed project or activity. Non-TxCDBG sources typically include the applicant's local contribution, other government assistance referred to in Part 2, equity, and contributions from foundations and private individuals. The report must also specify all expected use(s) of the funds. All sources and uses of funds must be included if they can be reasonably expected to be available for the proposed project.

If any of the source/use information required by this report has been provided elsewhere in the application, refer to the application form and location rather than repeating the responses here.

For the source of funds, indicate that the information can be found on the Cover Sheet, 424 Form, Table 1, the Local Resolution, and Letters of Commitment.

Otherwise, each reportable source of funds must indicate:

- The name and address, city, state, and zip code of the individual or entity providing the assistance. If applicable, include at least one organizational level below the agency name. For example, U.S. Department of Transportation, U.S. Coast Guard; Department of Safety, Highway Patrol;
- the program name, and any relevant identifying numbers or other means of identification for the assistance; and
- the type of assistance (e.g., applicant contribution, loan, grant, loan insurance).

Additional disclosures apply to update reports. During the period in which a TxCDBG application is pending, the applicant must make the following additional disclosures:

1. Any information that should have been disclosed in connection with the application, but was omitted.
2. Any information that would have been subject to disclosure in connection with the application but that arose at a later time, including information concerning an interested party that now meets the applicable disclosure threshold referred to in PART 2 above.

3. Any changes in previously disclosed Other Government Assistance that exceeds the previously disclosed amount.
4. For changes in previously disclosed financial interests, any change in the amount of the financial interest of a person that exceeds the amount of the previously disclosed interests by \$50,000 or by 10 percent of such interests (whichever is lower).
5. For changes to previously disclosed sources of funds, any change in a source of funds that exceeds the lower of:
 - a. The amount previously disclosed for that source of funds by \$250,000 or by 10 percent of the amount previously disclosed for that source, whichever is lower; or
 - b. The amount previously disclosed for all sources of funds by \$250,000 or by 10 percent of the amount previously disclosed for all sources of funds, whichever is lower.
6. For changes to previously disclosed uses of funds, any change in a use of funds that exceeds the lower of:
 - a. The amount previously disclosed for that use of funds by \$250,000 or by 10 percent of the amount previously disclosed for that use, whichever is lower; or
 - b. The amount previously disclosed for all uses of funds by \$250,000 or by 10 percent of the amount previously disclosed for all uses of funds, whichever is lower.

Community Base Questionnaire

Complete all questions. If not applicable, answer N/A. **Blank spaces are considered to be a response.**

Attachments

Identify all of the attachments included with the application.

Local Government Resolutions

The application *must* be submitted with a resolution from the local governing body (i.e. County Commissioners Court) authorizing the submission of that application. The governing body must adopt/pass the resolution before the application submission and after the application public hearing. Failure to comply with these resolution requirements may result in disqualification of the application.

This resolution must, at a minimum:

1. Authorize the submission of an application for funding under the Texas Community Development Block Grant Program.
2. Designate the fund category under which the application is to be considered (In this case, the Planning and Capacity Building Fund).
3. Designate the activities addressed in the application.
4. Designate dollar amount being requested.
5. Designate a position (e.g., Mayor, County Judge, City Manager) who will be authorized to execute documents in conjunction with the application.

6. Commit to the provision of resources by source and use (if applicable) in support of the proposed project activities, including the specific source (e.g., General Fund, Water/Sewer Fund) and use of those resources.

In a multi-jurisdiction application, a cooperation agreement must also be included and signed by all participating local governments, and must state which participant will serve as the lead administrative entity if the project is funded. Additionally, each locality participating in a multi-jurisdiction application must submit a resolution as outlined above.

When a county submits an application on behalf of an incorporated city, the incorporated city must provide a copy of a resolution by the governing body of the city authorizing the county to submit the application on the city's behalf. This is typically not conducted under the Planning and Capacity Building Fund.

A SAMPLE RESOLUTION IS PROVIDED ON THE FOLLOWING PAGE

Sample Resolution

A RESOLUTION OF THE CITY COUNCIL/COUNTY COMMISSIONER'S COURT OF THE CITY/COUNTY OF _____, TEXAS, AUTHORIZING THE FILING OF A TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM APPLICATION TO THE TEXAS DEPARTMENT OF RURAL AFFAIRS; AND AUTHORIZING THE MAYOR/COUNTY JUDGE TO ACT AS THE CITY'S/COUNTY'S EXECUTIVE OFFICER AND AUTHORIZED REPRESENTATIVE IN ALL MATTERS PERTAINING TO THE CITY'S/COUNTY'S PARTICIPATION IN THE TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM.

WHEREAS, the City Council/Commissioner's Court of the _____ desires to develop a viable urban community, including decent housing and a suitable living environment and expanding economic opportunities, principally for persons of low and moderate income; and WHEREAS, certain conditions exist which represent a threat to public health and safety; and

WHEREAS, it is necessary and in the best interests of the City/County of _____ to avail itself of the 2011/2012 Texas Community Development Planning Program;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL/COMMISSIONERS COURT OF THE OF _____, TEXAS;

1. That the City/County of _____ undertake a program to prepare the following planning effort(s):

2. That the requested amount of TxCDBG funds is a maximum of \$_____.
3. That a Texas Community Development Block Grant Program application for Planning/Capacity Building fund is hereby authorized to be filed on behalf of the City/County with the Texas Department of Rural Affairs and any other appropriate agencies as defined in the regulations.
4. That the City Council/Commissioner's Court directs and designates the **USE TITLE ONLY HERE** _____ as the City's/County's Chief Executive Officer and Authorized Representative to act in all matters in connection with this application and the City's/County's participation in the Texas Community Development Block Grant Program.
5. That the city/county commits itself, if funded by Texas Community Development Block Grant Program to appropriate \$ _____ as matching funds and as a demonstration of its local support to the planning project.

Passed and approved this _____ day of _____, 2010

(Mayor/County Judge, City/County of _____)

Published Notices of Public Hearing and Application Activities

Prior to the preparation and submission of an application for Texas Community Development Block Grant (TxCDBG) funds, each applicant must hold one public hearing and publish a notice that describes the application activities and the availability of the application(s) for public review.

The public hearing gives citizens information about the TxCDBG Program, eligible program activities, opportunity to participate in the development of the applicant's community development and housing needs, and opportunity to participate in the development of TxCDBG applications.

The public notice concerning the activities and activity locations that are included in TxCDBG applications gives citizens information on proposed uses for the funds and an opportunity to review and comment on the application(s) prior to submission.

Other requirements must also be followed:

- Public notices should also be prominently posted in public buildings and distributed to local Public Housing Authorities and other interested community service providers.
- Persons with disabilities must be able to attend the hearing and an applicant must make arrangements for individuals who require auxiliary aids or services, if contacted at least two days prior to the hearing.
- Local organizations that provide services or housing for low to moderate income persons, including but not limited to, the local Public Housing Authority, the local Health and Human Services office, and the local Mental Health and Mental Retardation office, must receive written notification concerning the date, time, location and topics to be covered at the public hearing.

The written notification sent to local service providers for the public hearing must include the date, time, location and topics to be considered at the public hearing (a copy of the notice to be published for the public hearing will suffice if the notice includes all of the required information). An applicant should send this notification to service providers serving the jurisdiction's residents. If a local office is located in the community, then the notification should be sent to that office. If a local office is not located in the community, then the notification should be sent to the local or regional office location that serves the jurisdiction's residents.

To show that proper notice of the public hearing and application activities was given to citizens, each applicant, including participating jurisdictions in a multi-jurisdiction application, must submit with the TxCDBG application:

- A copy of the actual published public hearing notice (full page of the newspaper with publication title and date or publisher's affidavit and a copy of the notice) for the required public hearing. The notice must conform with the requirements of the Citizen Participation Plan including specifics such as the date, time, location of the hearing and the topics to be discussed.
- A copy of the actual published notice of the application(s) activities and availability of the application(s) for public review (full page of the newspaper with publication title and date or publisher's affidavit and a copy of the notice). The notice must conform with the requirements of the Citizen Participation Plan including the timing of the published notice and the information included in the notice.

- A listing of the local service providers that were sent the written notification of the public hearing. Copies of the written notifications must be kept by the applicant and will be reviewed by TxCDBG staff during site visits. Again, the written notification must conform to the requirements of the Citizen Participation Plan including specifying the date, time, location of the hearing and the topics to be discussed.

The applicant has certified compliance with the TxCDBG Citizen Participation Plan requirements by signing the 424 FORM. Please review the Citizen Participation Plan requirements carefully. Failure to comply with these requirements may result in disqualification of the application. Details such as checking to see if the public notices are published on the correct days are recommended. Waiting until a few days before the application deadline to go to the newspaper for the publisher's affidavit is not recommended. At that point, it could be too late to fix a public hearing problem.

Sample Public Hearing Notice and Application Activities Notice

Sample Public Hearing Notice

(Published on July 1, 2010:)

PUBLIC NOTICE
CITY OF XYZ
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The City of XYZ will hold a public hearing at 7:00 p.m. on July 14, 2010, at XYZ City Hall in regard to the submission of an application to the Texas Department of Rural Affairs for a Texas Community Development Block Grant Program (TxCDBG) grant. The purpose of this meeting is to allow citizens an opportunity to discuss the citizen participation plan, the development of local housing and community development needs, the amount of TxCDBG funding available, all eligible TxCDBG activities, and the use of past TxCDBG funds. The City encourages citizens to participate in the development of this TxCDBG application and to make their views known at this public hearing. Citizens unable to attend this meeting may submit their views and proposals to John Doe, City Manager at the City Hall. Persons with disabilities that wish to attend this meeting should contact City Hall to arrange for assistance. Individuals who require auxiliary aids or services for this meeting should contact City Hall at least two days before the meeting so that appropriate arrangements can be made.

Sample Application Activities Notices

(Published on September 16, 2010:)

PUBLIC NOTICE
CITY OF XYZ
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The City of XYZ is giving notice of the city's intent to submit a Community Development Fund application for a grant from the Texas Community Development Block Grant Program. The grant application request is \$50,000 for citywide planning activities named in the application. The application is available for review at City Hall during regular business hours.

(Published on September 16, 2010:)

PUBLIC NOTICE
XYZ COUNTY
TEXAS COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The City of XYZ is giving notice of the city's intent to submit Texas Community Development Block Grant Program grant applications for a Community Development Fund grant request of \$50,000 for sewer system improvements in the ABC Neighborhood and a Planning and Capacity Building Fund grant request of \$35,000 for citywide comprehensive planning studies. The applications are available for review at City Hall during regular business hours.

Letters of Commitment

Any application that shows funding from sources other than TxCDBG must include as an attachment a letter of commitment from the funding source including the amount of funds committed and the specific activity for which the funds will be used.

A commitment of local funds by the applying jurisdiction must be in the form of a resolution from the local governing body. The same information as outlined above for letters of commitment must be included in the resolution. The commitment may be contained in the same resolution that authorizes the submission of an application.

Application Checklist

Review the application using the application checklist. The application checklist must be completed and returned with the application.

STATISTICAL INFORMATION AND METHODOLOGY

The following provides the data sources and methodology for scoring the Community Distress factors for the Planning and Capacity Building Fund.

Data Sources and Methodology for Distress Scoring

Data Sources

Percentage of Poverty Persons - Source: Current Available Decennial Census, SF 3

Per Capita Income - Source: Current Available Decennial Census, SF 3

Unemployment Rate - Source: Texas Workforce Commission Labor Force Estimates for Texas Counties – Current Available Average Data

Unemployment Rates used for incorporated cities will be based on the county unemployment rate where the city is located. If a city's corporate city limits are located within more than one county, the rate used will be either the county rate where the project beneficiaries are located or the county rate where the majority of the city's Census civilian labor force is located.

Incorporated City Applications

For an incorporated city, the data used to score Community Distress factors, with the exception of the unemployment rate, is based on the most current available decennial Census STF 3A information for the city's entire population.

For a new incorporated city that was not included in the most current available decennial Census as an incorporated city, the data used to score Community Distress is based on the most current available decennial Census information for the entire county unincorporated population unless:

- the new incorporated city submits to the TXCDBG a written request to use the most current available decennial census geographic area information;
AND
- the city provides the most current available decennial Census maps showing census tracts, or block numbering areas, and block groups (the census geographic area numbers must be legibly shown on these maps and the corporate city limits must be drawn on the Census maps) that are located within the city limits of the new city.
- The TXCDBG will then, as accurately as possible, provide the Community Distress census information that coincides with the census geographic areas located within the city limits.

County Applications

For a county, the data used to score Community Distress factors, with the exception of the unemployment rate, is based on the most current available decennial Census STF 3A information for:

- the county's entire population (for county-wide benefit activities)
- the county's entire unincorporated population (for activities that only benefit persons in unincorporated areas)
- or the most current available decennial census geographic area information specific to the unincorporated areas benefitting from the county's TXCDBG application activities (for activities that only benefit persons in unincorporated areas)

The TXCDBG will only consider the use of census geographic area specific information for county applications where the application activities benefit no more than two (2) separate unincorporated target areas. County applications that include application activities for unincorporated areas that are located in more than two (2) county precincts are scored on the Community Distress factors for the entire county unincorporated population or the entire county population.

If a county elects to use census geographic area information that is specific to the unincorporated areas benefitting from the application activities, the county must submit the following information:

- a written request to use the most current available decennial census geographic area information;
AND
- Census maps showing census tracts, or block numbering areas, and block groups (the census geographic area numbers must be legibly shown on these maps and the boundaries of the benefitting application target areas must be drawn on the Census maps) that are located within the boundaries of the application target areas.
- The TXCDBG will then, as accurately as possible, provide the Community Distress census information that coincides with the census geographic areas located within the boundaries of application target areas.